

Summary: Enacted Appropriation
CONSUMER AND INDUSTRY SERVICES FY 2003-04
 Senate Bill 286
 Public Act 167 of 2003



Analyst: Steve Stauff
Telephone: 373-8080

Overview

The Department of Consumer and Industry Services (CIS) is the state's primary regulatory agency. The Department has responsibility for a diverse set of programs, including the state's unemployment and worker's compensation systems, enforcement of industrial and occupational safety laws, regulation of specific industry groups (e.g., banking, public utilities), and licensing and regulation of occupational groups and regulated facilities. Over 93% of the current-year budget is financed through either regulatory fee/assessment revenue or federal funding.

	FY 2002-03 YTD (as of 3/6/03)	Executive	Senate	House	Enacted	Difference: Enacted to 2002-03 YTD	
						Amount	%
IDG/IDT	\$111,100	\$111,100	111,100	111,100	111,100	\$0	0.0
Federal	241,911,500	283,831,500	283,831,500	283,831,500	283,831,500	41,920,000	17.3
Local	0	0	0	0	0	0	0.0
Private	770,000	770,000	770,000	770,000	770,000	0	0.0
Restricted	273,487,300	285,815,300	298,343,800	298,694,400	299,143,800	25,656,500	.09
GF/GP	32,900,500	19,669,800	20,185,800	20,184,700	19,669,800	(13,230,700)	(40.2)
Gross	\$549,180,400	\$590,197,700	\$603,242,200	\$603,591,700	\$603,526,200	\$54,345,800	9.9
FTEs	4,012.4	4,001.0	3,535.5	3,535.5	3,533.5	(478.9)	(11.9)

Note: FY 2002-03 YTD figures do not include the results of any supplemental, contingency transfers, or EO actions that occurred after March 6, 2003.

Major Budget Changes from FY 2002-03 YTD Appropriations:		YTD FY 2002-03 as of 3/6/03	Enacted Change
1. Fee Increases Offset GF/GP Appropriations	Gross	N/A	\$0
Recognizes \$10.6 million in state restricted revenue that is anticipated to be generated by a number of fee increases. The appropriations are used to offset GF/GP appropriations within the budget. The increases include corporate annual report and document filing fees, registration fees for investment advisors and securities brokers/agents, licensing-related fees for a number of different occupational fields, and licensing and regulatory fees imposed on different health facilities.	Restricted	N/A	10,600,000
	GF/GP	N/A	(\$10,600,000)
2. Worker's Compensation Appellate Commission	Gross	\$1,788,60	(\$849,300)
Reduces appropriations for the Worker's Compensation Appellate Commission to support four commissioners, office space and staff instead of the previous seven-member Commission.	Restricted	1,788,600	(849,300)
3. Section 8 Rental Subsidies	Gross	\$78,000,000	\$42,000,000
Authorizes additional \$42.0 million in federal revenue to reflect increased funds for use in providing Section 8 rental vouchers to low-income individuals. The voucher program is administered by the Michigan State Housing Development Authority and helps to subsidize rental costs for eligible individuals.	Federal	78,000,000	42,000,000
4. Fire Protection Grants	Gross	\$3,710,500	\$12,128,500
Increases Fire Protection Grants funding level to \$15,839,000 funded from the Liquor Purchase Revolving Fund, contingent upon statutory changes that will affect a \$12,128,500 increase to the fund. Funding contingency language can be found in boilerplate Sec. 347.	Restricted	3,710,500	12,128,500

Major Boilerplate Changes from FY 2002-03:

Sec. 335. Low-Income/Energy Efficiency Assistance Program – MODIFIED

Retains FY 2002-03 law which requires reporting from the Department on the Low-Income/Energy Efficiency Assistance Program. Language is modified to include an earmarking of \$3.0 million from the fund to community action agencies across the state.

Sec. 347. Fire Protection Grants Funding Contingency – NEW

Requires that of the appropriation for fire protection grants, \$12,128,500 is contingent upon statutory changes that would increase the deposit into the Liquor Purchase Revolving Fund.

Sec. 350. Adverse Determination by Health Benefit Plan/External Review Awareness Promotion – NEW

Requires the Department to allocate funds to promote awareness of policy holders to request an external review of an adverse determination by a health benefit plan, after the health carrier's internal grievance process has been exhausted.

Sec. 351. Real Estate Continuing Education – NEW

Requires that 1) the Department report no later than December 31 to the subcommittees showing the date each real estate continuing education course was submitted for approval and the date of final disposition, approval or denial; 2) the Department post on its website approved real estate continuing education courses, dates, times, instructors, locations and credit hours of the courses; 3) the Department make available by November 15, 2003, to the public the precensure and continuing education course approvals; 4) the legislative intent that sponsors of continuing education be able to report on an applicant's or licensee's completion of courses to the Department electronically by the close of FY 2003-04.

Major Boilerplate Changes from FY 2002-03:

Sec. 352. Appellate Commission/Board of Magistrates Case Timeliness and Membership – NEW

Requires that expenditures in part 1 be used so that the two bodies decide cases in a timely manner and that funding from the Unclassified Salaries appropriation line support only four worker's compensation appellate commissioners and 27.5 magistrates.

Sec. 355. Lead and Lead Paint Testing – NEW

Requires if federal funds are available, that before issuing a license for a day care facility the Department shall inspect for the presence of lead and lead-based paint in that facility.